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TIMEPLAY, INC.

16
17 UNITED STATES DISTRICT COURT
18 CENTRAL DISTRICT OF CALIFORNIA

19 TIMEPLAY, INC., a Canadian
20 corporation,

21 Plaintiff,

22 v.

23 AUDIENCE ENTERTAINMENT LLC,
24 a Delaware Limited Liability Company,

25 Defendant.

26 Case No. 15-CV-05202 SJO (JCx)

27 **PLAINTIFF'S MEMORANDUM
OF POINTS AND AUTHORITIES
IN OPPOSITION TO
DEFENDANT AUDIENCE
ENTERTAINMENT LLC'S
MOTION TO DISMISS
PURSUANT TO 35 U.S.C. § 101**

28 Hearing Date: October 19, 2015
Time: 10:00am
Courtroom: 1
Judge S. James Otero

TABLE OF CONTENTS

I. Introduction	1
II. Background Facts.....	1
A. The Specification and File History of the '124 Patent	1
B. The '124 Patent Advances the State of the Art in the Field of Multi-player Videogaming.....	4
III. Legal Background.....	5
IV. Argument	9
1. AE Has Failed To Articulate Any "Abstract Idea" Claimed by the '124 Patent	9
a. AE Ignores All of the Specific Limitations of Claim 1.....	10
b. AE Cites No Case Law Showing that a Particularized Videogaming System is "Abstract.".....	12
2. AE's Assertion that the '124 Patent is not "Inventive" Ignores the Specification, Claims, Prosecution History and Case Law.....	13
3. AE's Motion Seeks Impermissible Claim Constructions and Validity Findings.	15
IV. Conclusion	17

TABLE OF AUTHORITIES

	Page(s)
Federal Cases	
<i>Alice Corp. v. CLS Bank,</i> 2014. 134 S. Ct. 2347 (2014)	<i>passim</i>
<i>Ameranth, Inc. v. Genesis Gaming Solutions, Inc.,</i> AG, 2014 WL 7012391 (C.D. Cal. Nov. 12, 2014)	<i>passim</i>
<i>Bilski v. Kappos,</i> 561 U.S. 593 (2010)	6
<i>buySAFE, Inc. v. Google, Inc.,</i> 765 F.3d 1350 (Fed. Cir. 2014)	8
<i>California Inst. of Tech. v. Hughes Comm'n's., Inc.,</i> 59 F. Supp. 3d 974, 990 (C.D. Cal. 2014).....	11
<i>Content Extraction & Transmission LLP v. Wells Fargo Bank, Nat'l Ass'n,</i> 776 F.3d 1343 (Fed Cir. 2014)	5, 15
<i>CyberFone Sys., LLC v. Cellco P'ship,</i> 885 F. Supp. 2d 710 (D. Del. 2012) <u>aff'd sub nom. Cyberfone Sys., LLC v. CNN Interactive Grp., Inc.</u> , 558 F. App'x 988 (Fed. Cir. 2014)	16
<i>DDR Holdings, LLC v. Hotels.com, L.P.,</i> 773 F.3d 1245 (Fed. Cir. 2014)	7, 10, 13, 14
<i>Diamond v. Diehr,</i> 450 U.S. 175 (1981)	<i>passim</i>
<i>Gottschalk v. Benson,</i> 409 U.S. 63 (1972)	6
<i>IPLearn-Focus, LLC, v. Microsoft Corp.,</i> No. 14-cv-00151-JD, 2015 WL 4192092 (N.D. Cal. July 10, 2015).....	12, 13

1	<i>Mayo Collaborative Servs. v. Prometheus Labs., Inc.</i>	
2	132 S. Ct. 1289 (2012)	3, 6, 9, 14
3	<i>Messaging Gateway Solutions, LLC v. Amdocs, Inc.</i> ,	
4	No. CV 14-732-RGA, 2015 WL 1744343 (D. Del. Apr. 15, 2015)	9
5	<i>Modern Telecom Systems, LLC v. Earthlink, Inc.</i> ,	
6	CV-14-0347-DOC, 2015 WL 1239992 (C.D. Cal. Mar. 17, 2015)	8, 9, 13
7	<i>Nomadix, Inc. v. Hospitality Core Servs. LLC</i> ,	
8	No. CV 14-08256 DDP VBKX, 2015 WL 1525537, at *2 (C.D. Cal. Apr. 3, 2015)	15, 16
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10	437 U.S. 584 (1978)	6
11	<i>Planet Bingo, LLC v. VKGS LLC</i> ,	
12	576 Fed.Appx. 1005 (Fed. Cir. 2014)	8, 12
13	<i>In re TLI Commn's Patent Litig.</i> ,	
14	2015 WL 627858 (E.D. Va. Feb. 6, 2015)	13
15	<i>Trading Techs. Int'l, Inc. v. CQG, Inc.</i> ,	
16	No. 05-CV-4811, 2015 WL 774655 (N.D. Ill. Feb. 24, 2015)	10
17	<i>Tuxis Techs., LLC v. Amazon.com, Inc.</i> ,	
18	No. CV 13-1771-RGA, 2014 WL 4382446 (D. Del. Sept. 3, 2014)	5
19	<i>Ultramercial, Inc. v. Hulu, LLC</i> ,	
20	722 F.3d 1335 (Fed. Cir. 2013)	5, 15
21	<i>Ultramercial, Inc. v. Hulu, LLC</i> ,	
22	772 F.3d 709 (Fed. Cir. 2014) <u>cert. denied sub nom. Ultramercial, LLC v. WildTangent, Inc.</u> , 135 S. Ct. 2907 (2015).....	8
23	Other Authorities	
24	EXAMINATION GUIDANCE AND TRAINING MATERIALS ,	
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1 **I. Introduction**

2 Audience Entertainment’s (“AE”) motion to dismiss should be denied. AE
 3 seeks to extinguish – at the pleadings stage and without the benefit of claim
 4 construction or expert testimony – all thirty eight claims of TimePlay, Inc.’s
 5 (“TimePlay”) United States Patent 8,951,124 (“the ’124 Patent”). Not only is AE’s
 6 request premature, its motion is also without merit.

7 This case relates to a patented technology for multiplayer interactive gaming.
 8 The claims challenged by AE require at least two important and concrete
 9 innovations that improved the multi-player interactive gaming experience: (1) the
 10 ability to use a second display screen in each user’s handheld game controller
 11 which is coordinated with a primary display screen shared by all users and (2) the
 12 ability to download software onto a game controller to facilitate this coordinated
 13 game play. These claims, heavily vetted by the USPTO and allowed after the *Alice*
 14 and *Mayo* decisions, require these specific tangible features.

15 AE does not seriously address the actual limitations of any claims of the ’124
 16 Patent. Nor does AE articulate any “abstract concept” that is claimed by the ’124
 17 Patent. Rather AE makes a sweeping conclusion that the ’124 Patent preempts
 18 games like “Pictionary” even though this assertion is plainly belied by the ’124
 19 Patent’s claim language. AE offers no expert testimony, no claim construction, no
 20 analysis of the file history or the claim language. This is simply not the type of
 21 superficial analysis that warrants a finding of patent ineligibility and no authority
 22 cited by AE supports such a proposition.

23 **II. Background Facts**

24 ***A. The Specification and File History of the ’124 Patent***

25 The ’124 patent identified two problems with the prior art: the use of a single
 26 screen for a multi-user interactive game and the use of conventional game
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1 controllers that could not process player-specific game tasks (such as registering for
 2 a game). The “Background of the Invention” described that in the prior art, “[i]n a
 3 multi-player game environment where a large number of users can play an
 4 interactive action-based game in a single display screen....it may be difficult for
 5 one of the large number of players to identify his or her onscreen character (or
 6 avatar) amongst all the characters of the other players on the screen.” ’124 Patent,
 7 Col. 1:25-32. The Background further noted the limited communications
 8 capabilities in the prior art, as “[a] further problem in such a multi-player game
 9 environment arises in relation to receiving game input commands from all of the
 10 large number of players...it may not always be cost effective or practical to provide
 11 cabling or wiring to a large number of player input terminals for receiving the
 12 player input commands.” *Id.*, Col. 1:38-44.

13 The ’124 Patent ameliorates these specific shortcomings in at least two ways.
 14 First, it has a solution that allows for two screens for interactive game play.
 15 Second, it requires game controllers to download software for processing input
 16 commands that coordinate operations between the game controller and a gaming
 17 server. The ’124 Patent also includes a preferred embodiment allowing for wireless
 18 communications between the game controller and game server and other
 19 enhancements to further improve the game system.

20 The original provisional patent application for the ’124 Patent was filed on
 21 September 21, 2004. *Id.* at [22] and [60]. Following the filing of the provisional
 22 patent, the ’124 Patent was subject to extensive scrutiny by the USPTO. The
 23 USPTO considered over one hundred pieces of multi-player gaming prior art
 24 identified on the face of the patent. *Id.* at [56]. The prior art included systems from
 25 major videogame companies such as Sony Corporation, Konami Co., Ltd. and
 26 Namco Ltd.

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1 The claims of the '124 Patent were initially rejected by the Examiner on
 2 March 23, 2012 in view of United States Patent 6,056,640. Following the rejection,
 3 the claims were amended. Ex. 1. at 2-8. The Examiner then rejected the amended
 4 claims. Ex. 2 at 1. After this rejection, the claims were further amended. The
 5 amendments included the following language:

6 wherein the game server is configured to download a game software
 7 module to each of the plurality of handheld game controllers using the
 8 communication means prior to initiation of the multi-player game, the
 9 game software module for enabling participation in the multi-player
 game by manipulating one of the plurality of game controllers.

10 Ex. 3 at 2. After a third rejection, the patentee clarified that the claimed "game-
 11 specific software module is not the same as a multi-player game," distinguishing
 12 video game prior art in which an entire multi-player game was downloaded to a
 13 handheld gaming device. Ex. 4 at 14. Following an interview with the Examiner,
 14 the claims under the '124 Patent were allowed by the USPTO. Ex. 5 at 1.

15 During the prosecution of the '124 Patent, the U.S. Supreme Court issued the
 16 *Mayo* and *Alice* decisions. The Supreme Court decided *Alice Corp. v. CLS Bank* on
 17 June 19, 2014 and the USPTO issued preliminary guidelines regarding subject
 18 matter eligibility in accordance with *Alice* on June 25, 2014. 134 S. Ct. 2347
 19 (2014); EXAMINATION GUIDANCE AND TRAINING MATERIALS,
 20 [http://www.uspto.gov/patent/laws-and-regulations/examination-](http://www.uspto.gov/patent/laws-and-regulations/examination-policy/examination-guidance-and-training-materials)
 21 policy/examination-guidance-and-training-materials (last visited Sept. 21, 2015).
 22 Nevertheless, the Examiner never raised Section 101 eligibility at any point during
 23 the prosecution of the '124 Patent, despite the patent issuing after *Alice* on February
 24 10, 2015.

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1 ***B. The '124 Patent Advances the State of the Art in the Field of Multi-***
 2 ***player Videogaming.***

3 The '124 Patent claims “multi-player gaming” involving a “common display”
 4 where each player has a “game controller” with a “secondary display.” *See* '124
 5 Patent, Cols. 42:22-52, 43:45-44:63. Claim 1 of the '124 Patent requires specific
 6 technological components including: a “game server,” a “display system having
 7 primary display means,” “communication controller,” and “game controllers” that
 8 a) are “configured to download a game software module” and b) each have a
 9 “secondary game display” that displays content that is “complementary to the
 10 primary game display.” These elements are reflected in Claim 1, shown below:

11 1. A ***multi-player game system*** comprising:

13 a ***game server*** configured to run a game software to facilitate a multi-
 14 player game, the game server further configured to provide display
 15 signals for displaying the multi-player game;

16 a ***display system having primary display means***, the display system
 17 being configured to provide a primary game display of the multi-
 18 player game on the primary display means in response to the display
 19 signals;

20 a plurality of ***handheld game controllers***, each handheld game
 21 controller having secondary display means and input means; and

22 ***communication controller for enabling communication*** between the
 23 game server and each handheld game controller;

24 wherein the plurality of handheld game controllers are located in
 25 proximity to the primary display means such that the primary display
 26 means is visible to game players manipulating respective handheld
 27 game controllers; and

1 wherein ***the game server is configured to download a game software***
 2 ***module to each handheld game controller*** using the communication
 3 controller prior to initiation of the multi-player game, each game
 4 software module executable by the corresponding handheld game
 5 controller to enable the corresponding handheld game controller ***to***
 6 ***provide a secondary game display on the secondary display means*** in
 7 response to player input received at the input means, ***wherein the***
 8 ***secondary game display is complementary to the primary game***
 9 ***display, and to enable participation in the multi-player game by the***
 10 ***corresponding game player.***

11 *Id.*, Col. 41:22-52 (emphasis added).

12 The claims that depend from Claim 1 add a number of additional technical
 13 features including, *inter alia*, further improvements to the handheld game controller
 14 such as: “wireless” game controllers (Claim 17-19 and 32-33), “touchscreens”
 15 (Claim 25 and 35), and a “rechargeable battery” in each game controller (Claim
 16 30). *Id.* 42:10-43:20.

17 III. Legal Background

18 In applying Section 101 jurisprudence at the pleading stage, the Court construes
 19 the patent claims in a manner most favorable to Plaintiff. *See Content Extraction &*
 20 *Transmission LLP v. Wells Fargo Bank, Nat'l Ass'n*, 776 F.3d 1343, 1349 (Fed Cir.
 21 2014). Thus, prior to claim construction, “a patent claim can be found directed
 22 towards patent ineligible subject matter if the ‘only plausible reading of the patent
 23 must be that there is clear and convincing evidence of ineligibility.’” *Tuxis Techs.,*
 24 *LLC v. Amazon.com, Inc.*, No. CV 13-1771-RGA, 2014 WL 4382446 at *2 (D. Del.
 25 Sept. 3, 2014) (quoting *Ultramercial, Inc. v. Hulu, LLC*, 722 F.3d 1335, 1339 (Fed.
 26 Cir. 2013)(emphasis in orginal)). AE cannot meet this standard.

27 1. Alice Recognized a Limited Exception to the General Rule of Patentability

28 In *Alice*, the Supreme Court applied a two prong test to determine patentable
 29 subject matter eligibility: a) assessing whether the claims are “directed to one of

1 those patent-ineligible concepts” – a law of nature, physical phenomenon, or
 2 abstract idea, and, b) if so, whether it also claimed an “inventive concept” that
 3 “ensure[s] that the patent in practice amounts to significantly more than a patent on
 4 the [ineligible concept] itself.” *Alice*, 134 S. Ct. at 2355 (citing *Mayo Collaborative
 5 Servs. v. Prometheus Labs., Inc.* 132 S. Ct. 1289, 1303 (2012)). The *Alice* Court
 6 applied the test to invalidate a method claim that covered the process of “mitigating
 7 ‘settlement risk’” between financial institutions involved in multiple daily
 8 transactions. *Alice*, 134 S. Ct. at 2351. The representative claim analyzed by the
 9 Court did not involve any technological component.¹ *Id.*

10 The Supreme Court concluded that the claim was an abstract idea because the
 11 use of “clearing houses” to mitigate settlement risk was a “fundamental economic
 12 practice long prevalent in our system of commerce.” *Id.* at 2356. This decision
 13 was consistent with past Supreme Court decisions that limited “abstract ideas” only
 14 to formulas, algorithms, and other fundamental practices. *See e.g., Gottschalk v.
 15 Benson*, 409 U.S. 63, 71-2 (1972) (mathematical formulas), *Parker v. Flook*, 437
 16 U.S. 584, 594 (1978) (alarm algorithm), and *Bilski v. Kappos*, 561 U.S. 593, 609
 17 (2010) (longstanding commercial practice of hedging risk).

18 The Supreme Court stressed that “we tread carefully in construing this
 19 exclusionary principle lest it swallow all of patent law” because “[a]t some level,
 20 ‘all inventions … embody, use, reflect, rest upon, or apply laws of nature, natural
 21 phenomena, or abstract ideas.’” *Alice*, 134 S. Ct. at 2354 (citing *Mayo*, 132 S. Ct. at
 22 1293–1294.) Accordingly, the “abstract idea” analysis (and the Section 101
 23

24 ¹ The Supreme Court noted that the claim in *Alice* was intended to be carried out on
 25 a generic computer, but the representative claim did not recite any computer
 26 components, let alone specific requirements for a computer component. *Id.* at
 27 2353.
 28

1 analysis more generally), is limited to claims that carry a “risk of pre-emption.”
 2 *Alice*, 134 S. Ct. at 2354-55.

3 With respect to the “inventive concept” prong, the *Alice* Court contrasted
 4 methods carried out on “general purpose computers,” with the system that survived
 5 Section 101 scrutiny in the Supreme Court’s prior opinion in *Diamond v. Diehr*,
 6 450 U.S. 175 (1981). *Alice*, 134 S. Ct. at 2358. In *Diehr*, the Supreme Court found
 7 that a mathematical algorithm used in assessing when rubber had cured was
 8 patentable where it was implemented using a “computer” that performed “multiple
 9 calculations” and a “thermocouple.” *Id.* The *Diehr* Court emphasized that “claims
 10 must be considered as a whole. It is inappropriate to dissect the claims into old and
 11 new elements and then to ignore the presence of the old elements in the analysis.”
 12 *Diehr*, 450 U.S. at 188. The *Diehr* Court further stressed that the Section 101
 13 analysis was limited and distinct from a Section 102/103 analysis, meaning that if a
 14 court is attempting to determine whether a claim is “novel” or “nonobvious,” then it
 15 likely had strayed too far from the limited inquiry envisioned by the Supreme
 16 Court. *Id.* at 191.

17 The representative patent claim in *Alice* did not recite even a general purpose
 18 computer, and therefore was distinguished from the more particularized system of
 19 *Diehr*. *Alice*, 134 S. Ct at 2358.

20 **2. Federal Circuit Analysis Post-Alice**

21 Neither *Alice* nor any of the cases that followed have invalidated patents
 22 claiming a technical improvement to modern technology. For example, in *DDR*
 23 *Holdings, LLC v. Hotels.com, L.P.*, the Federal Circuit upheld a patent claiming a
 24 method for retaining visitors on a website through creation of a digital “store within
 25 a store.” 773 F.3d 1245, 1258 (Fed. Cir. 2014). These claims were limited to the
 26 particular environment of an internet store while not “broadly and generically

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1 claim[ing] ‘use of the Internet’ to perform an abstract business practice[.]” *Id.* The
 2 Federal Circuit found the claims patent eligible as they solved a problem particular
 3 to their environment and did not “attempt to preempt every application of the
 4 idea[.]” *Id.* at 1259.

5 In contrast, the Federal Circuit found patents ineligible when they merely
 6 involved well-known concepts that were not tied to a particular technology. *Planet*
 7 *Bingo, LLC v. VKGS LLC*, 576 Fed.Appx. 1005 (Fed. Cir. 2014) (playing bingo
 8 using a generic computer); *Ultramercial, Inc. v. Hulu, LLC*, 772 F.3d 709 (Fed. Cir.
 9 2014) cert. denied sub nom. Ultramercial, LLC v. WildTangent, Inc., 135 S. Ct.
 10 2907 (2015) (showing an ad before playing a video); *buySAFE, Inc. v. Google, Inc.*,
 11 765 F.3d 1350 (Fed. Cir. 2014) (implementing a well-known concept of
 12 guarantying “transaction performance” in online transactions).

13 The fundamental difference between these two lines of cases are that in one
 14 instance there were technical improvements and in the other the presence of a
 15 generic computer really did nothing to add to the inventiveness. As a result, the
 16 “something more” test could not be met.

17 Cases in this district follow this distinction. For example, in *Ameranth, Inc. v.*
 18 *Genesis Gaming Solutions, Inc.*, Judge Guilford rejected a Section 101 challenge to
 19 a computer system involving player management in an online poker game. No.
 20 SACV 11-00189 AG, 2014 WL 7012391, at *1 (C.D. Cal. Nov. 12, 2014). The
 21 defendant argued that the claimed computer system, which had a number of specific
 22 requirements, boiled down to the abstract concept of a “loyalty program.” *Id.* at *5.
 23 Judge Guilford found that this concept was, at best, reflected in only a single
 24 limitation and rejected the defendant’s motion for summary judgment. *Id.* at *3-*6.
 25 Similarly, Judge Carter rejected a Section 101 motion in *Modern Telecom Systems,*
 26 *LLC v. Earthlink, Inc.*, involving patents that claimed techniques that “control[] the

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1 way a user modem communicates with a telephone company modem.” No. SA CV
 2 14-0347-DOC, 2015 WL 1239992, at *9 (C.D. Cal. Mar. 17, 2015). Though the
 3 claims at issue did not include any particular components other than unspecified
 4 “devices,” Judge Carter nonetheless found that the Defendant had failed to meet its
 5 burden to show “that the specific steps recited in the patents pre-empt all inventions
 6 concerning communicating between two modems.” *Id.*

7 **IV. Argument**

8 AE has failed to meet either prong of the *Mayo/Alice* test because the ’124
 9 Patent simply claims a specific “idea” rather than an “abstract idea,” and because
 10 every claim of the ’124 Patent contains numerous technological limitations that
 11 were found to be “inventive concepts” by the post-*Alice* USPTO.

12 AE has also failed to provide any actual evidence supporting its arguments
 13 under either prong of the eligibility test and therefore its Motion is premature.
 14

15 1. AE Has Failed To Articulate Any “Abstract Idea” Claimed by the ’124
 16 Patent.

17 Any challenger to a patent can declare that a patent encompasses an “idea,”
 18 since that is the definition of a patent. *See, e.g., Messaging Gateway Solutions,*
LLC v. Amdocs, Inc., No. CV 14-732-RGA, 2015 WL 1744343, at *5 (D. Del. Apr.
 19 15, 2015) (“If one looks at almost any patent from far enough away, it could
 20 arguably claim an abstract idea. For example, Alexander Graham Bell’s patent
 21 could be said to claim the abstract idea of oral communication.”). To challenge
 22 patentability, such a generic assertion is not enough.

23 In fact, AE’s fundamental failure here is its inability to articulate any “*abstract*
 24 idea” encompassed by ’124 Patent. *Ameranth, Inc.*, 2014 WL 7012391, at *9 (“An
 25 inability to articulate an abstract idea to which claims are directed may be a clue
 26 that those claims satisfy § 101.”).

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1 a. AE Ignores All of the Specific Limitations of Claim 1.

2 It is not entirely clear from AE's brief what it contends is the "abstract idea"
 3 claimed in the '124 Patent. The closest AE gets to expressing an "abstract idea" is
 4 its statement "whether it be children playing in the classroom with a blackboard or
 5 families playing Pictionary at 'game night,' the concept of using a shared display to
 6 allow individuals to play the game together is just as basic." AE Br. at 7.
 7 However, this "abstract idea" is far more general than anything claimed in the '124
 8 Patent. *See, e.g. Trading Techs. Int'l, Inc. v. CQG, Inc.*, No. 05-CV-4811, 2015 WL
 9 774655, at *4 (N.D. Ill. Feb. 24, 2015) (holding that Defendant's proposed abstract
 10 idea, "placing an order for a commodity on an electronic exchange" did not
 11 correlate with the claims in the patents-in-suit.); *Ameranth, Inc.*, 2014 WL
 12 7012391, at *9.

13 In reality, the '124 Patent only exists in the field of multi-player video gaming.
 14 Its claims have core distinguishing features that a family playing Pictionary would
 15 never dream were necessary on game night. For example, the claims require "game
 16 controllers" that provide a "secondary display" that is "complementary to the
 17 primary game display" and "enable participation in the multi-player game by the
 18 corresponding game player." This feature cannot be abstracted away given how
 19 central it is in the description of the invention and the prosecution history.
 20 Additionally, these "game controllers" are further required to receive a "game
 21 software module" from a "game server," another important requirement that again
 22 only exists in a multiplayer video game environment. *See '124 Patent Claim 1;*
23 DDR Holdings, 773 F.3d at 1257 (holding claims patentable, since they solve a
 24 problem arising in a unique environment, "[T]he claimed solution is necessarily
 25 rooted in computer technology in order to overcome a problem specifically arising

1 in the realm of computer networks.”). This improvement is significant, as is clear
 2 from the prosecution history. *Supra* at 2-3.

3 These specific limitations make clear that the ’124 Patent does not preempt any
 4 preexisting activity beyond the scope of the claimed invention, a further affirmation
 5 that the claim does not encompass an “abstract idea.” *Alice*, 124 S. Ct. at 2355.
 6 One could, for example, simply play a multi-player game using gaming controllers
 7 without “secondary displays.” Indeed, the numerous prior art references relied
 8 upon by the Examiner during the prosecution history of the ’124 Patent demonstrate
 9 that one could implement many different multi-player video gaming systems that
 10 do not infringe the claims. *Ameranth*, 2014 WL 7012391, at *6. Thus, this Court
 11 should heed Judge Pfaelzer’s recent opinion in rejecting a Section 101 challenge,
 12 which noted “the court must be wary of litigants who exaggerate preemption
 13 concerns in order to avoid developing innovative workarounds.” *California Inst. of*
 14 *Tech. v. Hughes Comm’ns., Inc.*, 59 F. Supp. 3d 974, 990 (C.D. Cal. 2014).

15 AE attempts to read out all of the particular technical requirements of the ’124
 16 Patent claims by adding the label “generic” on each limitation. AE Br. at 6. The
 17 number of times AE feels compelled to add the word “generic” (thirteen times) to
 18 the claims belies AE’s argument that ’124 Patent Claim 1 involves a simple and
 19 generic computing environment. Moreover, each of the components AE claims is
 20 generic is described with particularized claim language describing the particular
 21 aspect of the invention. In fact, the Supreme Court has expressly rejected AE’s
 22 “dissection” of a claim approach. *Diehr*, 450 U.S. 175, 188 (“In determining the
 23 eligibility of respondents’ claimed process for patent protection under § 101, their
 24 claims must be considered as a whole.”)

25 Additionally, AE does not even attempt to grapple with any of the dependent
 26 claims of the ’124 Patent. As described above, these dependent claims add
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1 additional technical limitations, such as “wireless” communications, “touchscreens”
 2 and the like. *Supra* at II. B. at 5. These more particular technical limitations are
 3 even less “abstract” than the multi-player gaming system claimed in Claim 1.

4 **b. AE Cites No Case Law Showing that a Particularized Videogaming**
 5 **System is “Abstract.”**

6 AE also fails to cite any law that supports its position. The only gaming-
 7 oriented case AE identifies is *Planet Bingo, LLC v. VKGS LLC.*, 576 Fed. Appx.
 8 1005 (Fed. Cir. 2014). *Planet Bingo* involved “storing a player’s preferred sets of
 9 bingo numbers; retrieving one such set upon demand, and playing that set; while
 10 simultaneously tracking the player’s sets, tracking player payments, and verifying
 11 winning numbers.” *Id.* at 1006. No one disputed that the game of bingo was well
 12 known and that the claims lacked any specialized technical components. *Id.* at
 13 1008. *Planet Bingo* did not claim a hardware gaming architecture and recited no
 14 specific components. Accordingly, it was clear that the patent claim consisted
 15 solely of mental steps.

16 Similarly, *IPLearn-Focus, LLC* is distinguishable as it also did not involve any
 17 specialized technical components. *IPLearn-Focus, LLC, v. Microsoft Corp.*, No.
 18 14-cv-00151-JD, 2015 WL 4192092 (N.D. Cal. July 10, 2015). The patent in
 19 *IPLearn-Focus* described the goal of the invention as seeking “to implement on a
 20 computer the watchful eye of a good teacher, ‘who constantly observes []
 21 concentration-sensitive behavior, and dynamically adjusts her teaching materials
 22 and style accordingly.’” *Id.* at *4. Moreover, the technical components of the
 23 claim were components such as a bare “imaging sensor” and “processor,” which
 24 were admittedly well known and were not being used in an inventive way. *Id.*
 25 Accordingly, the district court concluded that the patent, by its own admission, was
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1 simply attempting to emulate good teaching practices of adapting content based on
 2 a distracted student. *Id.* at *1.

3 Finally, AE offers a throwaway cite in a footnote to the unreported case of *In re*
 4 *TLI Commn's Patent Litig.* AE Br. at 9-10 (citing MDL No. 1:14-md-2534, 2015
 5 WL 627858 (E.D. Va. Feb. 6, 2015)). That case involved the process of sorting and
 6 classifying photographs and uploading particular photographs, a process that has
 7 nothing to do with the claims of the '124 Patent. *Id.*

8 In contrast to playing bingo, watching distracted students, and organizing
 9 photos, the '124 Patent does not claim any age-old human activity. Multi-player
 10 video gaming using controllers with secondary displays is hardly a formula,
 11 algorithm, or other fundamental practice. Rather, the claims of the '124 Patent
 12 encompass specific improvements to a modern technical field and leave many other
 13 avenues for multi-player gaming open for use. Therefore they are patentable. *See,*
 14 e.g., *DDR Holdings*, 773 F.3d 1245, 1257 (“[T]he claimed solution is necessarily
 15 rooted in computer technology in order to overcome a problem specifically arising
 16 in the realm of computer networks.”); *Ameranth*, 2014 WL 7012391, at *8
 17 (“Defendants have not demonstrated that the claims simply cover generic computer
 18 implementation[.]”); *Modern Telecom*, 2015 WL 1239992, at *9 (“The claims here
 19 ‘do not merely recite the performance of some business practice known from the
 20 pre-Internet world along with the requirement to perform it on the Internet.’”)
 21 (internal quotations removed).

22 2. AE’s Assertion that the '124 Patent is not “Inventive” Ignores the
 23 Specification, Claims, Prosecution History and Case Law.

24 AE has failed to meet its burden on the “inventive concept” prong as well.
 25 Improving an existing technological process will transform a process into an
 26 “inventive” application. *Alice*, 134 S. Ct at 2358. Such improvements may consist
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1 of, for instance, implementing an existing process using a new combination of steps
 2 in a way that is unconventional in the field. *Mayo*, 132 S. Ct at 1298–1300. For
 3 example, a digital “store within a store” to retain visitors at a website was deemed
 4 inventive despite the fact that e-commerce was well-known, as was the concept of
 5 affiliate marketing. *DDR Holdings*, 773 F.3d at 1258. TimePlay’s patent claims
 6 easily meet the “inventive concept” test. As described in the specification and
 7 reflected in the file history, it was neither obvious nor anticipated to use handheld
 8 game controllers with secondary screens capable of downloading game software
 9 modules to play games for multi-player video gaming prior to the ’124 Patent.
 10 *Supra* at II. A. at 2.

11 AE ignores most of the limitations of Claim 1 and myopically focuses on the
 12 fact that the ’124 Patent includes the words “server,” “display” and
 13 “communications controller.” AE Br. at 6, 12. AE’s argument ignores that Claim 1
 14 of the ’124 Patent claims a complete system with multiple components that are
 15 designed to work together in a novel manner. There is no requirement that each
 16 and every limitation of a patent claim must be novel in and of itself, which is why
 17 claims must be considered as a whole and claim dissection is prohibited. *Diehr*,
 18 450 U.S. at 188. And again, AE also fails to seriously address any claim that
 19 depends from Claim 1 as well.

20 The prosecution history of the ’124 Patent, which involved extensive
 21 comparisons of the ’124 Patent claims against numerous pieces of prior art, further
 22 confirms the novelty of the invention. *Supra* at II. A. at 3. This detailed
 23 prosecution activity led to claim amendments to clarify the scope of the ’124 Patent
 24 and a determination by the Examiner that the claims were a novel and useful
 25 improvement over the prior art. Despite the fact that *Alice* and subsequent Federal
 26 Circuit cases interpreting Section 101 had been decided, nothing in the prosecution
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1 history supports AE's assertion that the claims of the '124 Patent lacked an
 2 "inventive concept." Indeed, Section 101 did not even come up during prosecution.

3 **3. AE's Motion Prematurely Seeks Impermissible Claim Constructions and**
 4 **Validity Findings.**

5 Finally, AE's Motion to Dismiss is premature because the parties dispute issues
 6 of novelty and claim construction. *See Ultramercial, Inc.*, 722 F.3d at 1338. The
 7 claim construction of the components of the '124 Patent Claim 1 may very well
 8 alter the meaning of the claim. *See Nomadix, Inc. v. Hospitality Core Servs. LLC*,
 9 No. CV 14-08256 DDP VPKX, 2015 WL 1525537, at *2 (C.D. Cal. Apr. 3, 2015)
 10 (denying a motion to dismiss on § 101 grounds at the pleading stage since "the
 11 exact functioning of the patented system has not yet been fully briefed.")
 12 (Pregerson, J.) For example, there are several components that are recited in
 13 "means plus function" format, including a "primary display means," "secondary
 14 display means," and "input means." These limitations may be construed as
 15 specialized display and input components which would further undermine AE's
 16 Section 101 arguments. TimePlay is therefore entitled to a presumption of subject
 17 matter eligibility at this stage based on this claim language. *See Content Extraction*
 18 & *Transmission LLP*, 776 F.3d at 1349.

19 Similarly, the parties may dispute the meaning of the claimed "game software
 20 module" that is downloaded to the "game controller," and the outcome of this
 21 dispute may alter the technical meaning of the claim. Again, the construction of
 22 this limitation may be disputed, and therefore it should be limited to its appropriate,
 23 video game-specific context for the purposes of this Motion. Numerous other
 24 technical components in Claim 1 should similarly be construed as non-abstract
 25 technological components, such as "game server," "display system having primary
 26 display means," and "communications controller."

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1 In short, to grant AE's Motion, the Court would have to construe all of the
 2 claimed technical requirements to be generic. Such claim construction rulings
 3 would be legally improper in view of the claim construction presumption to which
 4 TimePlay is entitled, not to mention an improvident use of judicial resources. The
 5 parties should properly frame the dispute with respect to claim construction,
 6 validity and infringement for judicial determination in the ordinary course of
 7 litigation, and not try to conduct a "mini-trial" on claim construction and
 8 obviousness without the benefit of any evidence at the outset of the case. AE
 9 asserts that resolution now is appropriate based on the district court case of
 10 *CyberFone Sys., LLC v. Cellco P'ships.* AE Br. at 2 (citing 885 F. Supp. 2d 710,
 11 715 (D. Del. 2012)). But that case did not involve claim language that could alter
 12 the scope and meaning of the claim given that the plaintiff could not articulate any
 13 claim construction issue. *CyberFone Sys., LLC v. Cellco P'ship*, 885 F. Supp. 2d
 14 710, 715 (D. Del. 2012) aff'd sub nom. *Cyberfone Sys., LLC v. CNN Interactive*
 15 *Grp., Inc.*, 558 F. App'x 988 (Fed. Cir. 2014) ("[W]hile plaintiff in this case did
 16 argue that claim construction should occur prior to a § 101 analysis, plaintiff did
 17 not explain how claim construction might alter such analysis.") (internal citation
 18 removed).

19 Similarly, the Court should not rule as a matter of law that Claim 1 lacks an
 20 "inventive step" without the benefit of fact and expert discovery and jury trial.
 21 Such a ruling would essentially be a determination that the USPTO erred in
 22 concluding that Claim 1 was novel over the extensive set of multi-player gaming
 23 prior art cited during prosecution. Rather, this Court should receive the full benefit
 24 of fact and expert discovery, claim construction and trial before making such a
 25 determination. *Nomadix*, 2015 WL 1525537, at *2.

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1 **IV. Conclusion**

2 For the foregoing reasons, TimePlay respectfully requests that the present
3 Motion to Dismiss be denied.

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6 Dated: September 28, 2015

7 ORRICK, HERRINGTON & SUTCLIFFE LLP

8 By: /s/ Siddhartha Venkatesan

9 SIDDHARTHA VENKATESAN

10 Attorneys for Plaintiff
11 TIMEPLAY, INC.

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